



THOMAS SCOTT (INDIA) LIMITED
ANNUAL REPORT

2014-2015

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Vijay Dattatraya Ajgaonkar	Independent Director & Chairman
Mr. Brijgopal Bang	Managing Director
Mr. Raghvendra Bang	Non Executive Director
Mr. Purshottam Bang	Non Executive Director
Mr. Subrata Kumar Dey	Independent Director
Mrs. Swati Sahukara	Additional Independent Director

CHIEF FINANCIAL OFFICER

Mr. Madhusudan Indoria

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Rashi Bang

STATUTORY AUDITORS

M/s. Rajendra K. Gupta & Associates
Room No. 3, Kshipra Society,
Akurli Cross Road No. – 1,
Kandivali (East),
Mumbai – 400 101
Tel.: (022) 28874879
E-mail: rk.gupta@hawcoindia.com

SECRETARIAL AUDITORS

M/s. Kothari H. & Associates
Practicing Company Secretaries
208, 2nd Floor, BSE Building,
Dalal Street, Fort,
Mumbai 400 001.
Tel.: (022) 2272 1831
E mail: hiteshkotharics@yahoo.co.in

CORPORATE OFFICE

405-406, Kewal Industrial Estate,
Senapati Bapat Marg
Lower Parel (West), Mumbai- 400 013
Tel: (022) 66607965, Fax: (022) 66607970

BANKERS

Bank of India
Axis Bank

REGISTERED OFFICE

50, Kewal Industrial Estate,
Senapati Bapat Marg,
Lower Parel (West)
Mumbai – 400 013
Tel.: (022) 4043 6363

REGISTRAR & TRANSFER AGENT

Karvy Computershare Pvt. Ltd.
Plot No. 17-24 Vittal Rao Nagar,
Madhapur, Hyderabad 500 081
Tel.: 040- 4465 5000
Email: Varghese@karvy.com

CORPORATE IDENTITY NUMBER:

L18109MH2010PLC209302

Website: www.thomasscott.org

DIRECTORS' BIOGRAPHY

MR. VIJAY DATTATRAYA AJGAONKAR – NON- EXECUTIVE INDEPENDENT DIRECTOR & CHAIRMAN:

Mr. V.D. Ajgaonkar is CAIIB, M.Com and LL.B. He served State Bank of India from 1979 to 1995 in different capacities and from 1996 to 2000; he was on deputation to SBI Capital Markets Limited. After serving SBI Capital Markets Limited, in February, 2000, he joined Times Guarantee Financial Limited and served their till March, 2004. He has experience in project finance and other related capital market activities.

MR. BRIJGOPAL BALARAM BANG - MANAGING DIRECTOR:

Mr. Brijgopal Bang is Commerce Graduate and also completed Master of Management Studies (MMS) from Bombay University in the year 1992. He is the promoter and Managing Director of the Company. He has been actively involved in the business of the Company since incorporation and has played a key role in the growth of the Company with his inputs in strategic planning and business development.

MR. RAGHVENDRA VENUGOPAL BANG - NON – EXECUTIVE DIRECTOR

Mr. Raghvendra Bang is Commerce Graduate from R A Poddar College, Mumbai University. He has an experience of more than 9 years in the field on Marketing & Finance. He is son of Mr. Venugopal Bang who was earlier on Board of Thomas Scott (India) Limited.

MR. PURSHOTTAM BANG - NON- EXECUTIVE DIRECTOR

Mr. Purshottam Bang is a B.Sc.(Physics) Graduate from Jai Hind College, Mumbai. He has a vast experience of more than 15 years in the field of Marketing.

MR. SUBRATA K. DEY – NON- EXECUTIVE INDEPENDENT DIRECTOR

Mr. Subrata K. Dey is a BA (Hons) and has done MA in Economics. He has experience of 35 years predominantly in areas of Corporate Banking especially for Large, mid-Corporates. He served ING VYSYA BANK LTD from 2001 to 2009 as Regional Head (West). After retirement from ING VYSYA BANK LTD he joined a listed NBFC as Director in Advisory Role in the area of Corporate Finance – Debt Syndication, Structuring, Restructuring, Finance options, etc.

MRS. SWATI SAHUKARA, ADDITIONAL INDEPENDENT DIRECTOR:

Mrs. Swati Sahukara is an Associate Member of the Institute of Company Secretaries of India (ACS), B. Com and L.L.B. She has 8 years of rich experience in the field of Company Secretary profession, worked with various organizations viz. engaged in business of real estate, glass industry, film industry, corporate law consultancy and handled various assignments like merger, amalgamation, takeover, buy back of shares, preferential issue, due diligence etc.

DIRECTORS' REPORT

The Members of
THOMAS SCOTT (INDIA) LIMITED

Your Director's present with immense pleasure, the **FIFTH ANNUAL REPORT** along with the Audited Statement of Accounts of the Company for the year ended 31st March 2015.

FINANCIAL HIGHLIGHTS

(₹ In lacs)

Description	Standalone	
	Year ended 31.03.2015	Year ended 31.03.2014
Revenue	1782.47	5008.10
Other Income	9.98	0.58
Total Expenditure	2121.21	5189.85
Earnings before Interest, Depreciation and Tax (EBIDT)	(328.76)	(181.17)
Less: Interest	0.57	2.63
Earnings Before Depreciation And Tax (EBDT)	(329.33)	(183.80)
Less: Depreciation	9.21	8.13
Profit before Tax (PBT)	(338.54)	(191.93)
Less: Tax Provision (Current, Deferred, FBT and Earlier Year adjustment)	0.00	0.00
Profit after Tax (PAT)	(338.54)	(191.93)

PERFORMANCE REVIEW

During the financial year, your Company recorded revenue of ₹ 1782.47 lacs as against ₹ 5008.10 Lacs in previous year. The operating loss before tax during the year stood at ₹ 328.76 lacs as against Rs. ₹17 lacs in the previous year. Due to adverse market conditions, the Turnover of your Company has been decreased. On the other side, due to high cost market there was also increase in the cost of material consumed.

Your Company is trying to reduce the overall cost by way of using various efforts and to increase its sustainability by planning for better prospects for the Company using various new avenues to avail the low cost raw material and by trying for better price gains for its products in the market and by continuing efforts for its growth as well.

DIVIDEND AND TRANSFER TO RESERVES

In view of the business loss during the year, your Director's do not recommend any dividend for the year 2014-15. No amount is transferred to Reserves.

The Register of Members and Share Transfer Books will remain closed from September 24, 2015 to September 29, 2015 (both days inclusive). The Annual General Meeting of the Company will be held on September 29, 2015.

SUBSIDIARY COMPANIES

As on March 31, 2015, your company has no subsidiary.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of the business during the year.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.

There is no material change and commitments occurred which affecting the financial position of the Company between the end of the financial year and as on the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

FUTURE OUTLOOK

In this scenario of high material cost market, you will appreciate the hardship the company is facing. However, we are hopeful for change in this scenario soon and also hopeful for better sales realizations and profit in the next year. Due to adverse dollar rupee equation, company also focusing to increase buying of ready product from the domestic Indian manufacturers. Also we are introducing heavy new fabrics which can be sold at good earnings.

INTERNAL FINANCIAL CONTROL:

The Internal Financial Control with reference to financial statements as designed and implemented by the Company are adequate.

During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

DEPOSITS

During the year, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

STATUTORY AUDITORS

At the Annual General Meeting, Members are requested to ratify the appointment of M/s. Rajendra K. Gupta & Associates, Chartered Accountants, Mumbai, (Registration No. 108373W) as Auditors of the Company made by resolution passed at the 4th Annual General Meeting of the Company, to hold office from the conclusion of the 4th Annual General Meeting until the conclusion of the 7th Annual General Meeting, for the balance term and accordingly they continue to hold office from the conclusion of the 5th Annual General Meeting until the conclusion of the 7th Annual General Meeting on such remuneration as may be fixed by the Board.

DIRECTORS COMMENT ON AUDITOR'S QUALIFICATION & ADVERSE REMARK IN AUDITOR'S REPORT:

The Auditors has made qualification and marked adversely in their report in the para (i)(a) and (i)(b) in respect of the report under Companies (Auditor's Report) Order, 2015.

The Directors comment on these qualification and remarks as- The management will make necessary efforts to maintain the quantitative details and situation of fixed assets and also to physically verify the same at reasonable intervals.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2015 was ₹ 339 Lakhs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity nor made any provision for purchase of its own shares by employees or by trustees for the benefit of employees.

CORPORATE GOVERNANCE REPORT

The Securities and Exchange Board of India vide its Circular No. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014, has clarified the applicability of Clause 49 Corporate Governance on Listed Companies, as per the aforesaid circular Clause 49 and its annexure are not applicable on the Company. However, the Company has made efforts to provide the information in the Director's Report.

In view of the above, Company has not provided Report on Corporate Governance for the year ended March 31, 2015. However, where the provision of Clause 49 becomes applicable to the company at a later date, the company shall comply with the requirements of Clause 49 within six months from the date on which the provisions became applicable to the company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However adequate measures are always taken to ensure optimum utilization and maximum possible saving of energy. The Company has installed energy conservative equipment's like LED (Light Emitting Diode) lights instead of CFL (Compact Fluorescent Lamp).

The Company has maintained a technology friendly environment for its employees to work in. Your Company uses latest technology and equipments. However since the Company is not engaged in any manufacturing, the information in connection with technology absorption is NIL.

Foreign exchange earning and outgo : (₹ In lacs)
Foreign Exchange Earnings during the year : NIL
Foreign Exchange Outgo during the year : 125.64

EXTRACTS OF ANNUAL RETURN AND OTHER DISCLOSURES UNDER COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The Extract of Annual Return in form No. MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014 is annexed hereto as Annexure A and forms part of this report.

DIRECTORS

A) Changes in Directors and Key Managerial Personnel

During the Financial year, Mr. Mithilesh Kumar Sinha, an Independent Director of the Company resigned as director w.e.f. November 03, 2014. The Board has placed on record its appreciation for the outstanding contribution made by Mr. Mithilesh Kumar Sinha during his tenure of office.

Pursuant to Section 149 of the Companies Act, 2013, the Board at its meeting held on February 02, 2015 appointed Mrs. Swati Sahukara as an additional independent Director.

None of the Directors of the Company is disqualified under Section 164(2) of the Companies Act, 2013.

Pursuant to provisions of section 152(6) of the Companies Act, 2013, Mr. Raghvendra Bang retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for reappointment.

B) Declaration by an Independent Director(s) and re-appointment, if any

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

C) Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

While independent directors in their separate meeting have carried out to assess the performance of Chairman & MD and other Directors of the Board more particularly about their business acumen and contribution to the Company, the performance evaluation of the Independent Directors was carried out by the entire Board.

The Independent Directors expressed their satisfaction with the evaluation process, functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of duties, obligations, responsibilities and governance.

NUMBER OF MEETINGS OF THE BOARD

The Board met five times during the financial year on May 30, 2014, August 13, 2014, November 14, 2014 February 02, 2015 and February 13, 2015. The number of meetings attended by each Director are as follows:

Name of Directors	Category	No. of meetings held	No. of meetings attended
Mr. Brijgopal Bang	Promoter/ Managing Director	5	5
*Mr. Mithilesh Kumar Sinha	Non Executive, Independent Director	5	2
Mr. Vijay Dattatraya Ajaonkar	Non Executive, Independent Director	5	5
Mr. Subrata Kumar Dey	Non Executive & Independent Director	5	4
Mr. Raghvendra Bang	Non- Executive, Non- Independent Director	5	4
Mr. Purshottam Bang	Non- Executive, Non- Independent Director	5	2
*Mrs. Swati Sahukara	Non-Executive, Independent Director	5	1

*Due to resignation of Mr. Mithilesh Kumar Sinha on November 03, 2014, The Board of the Company has been reconstituted by appointment of Mrs. Swati Sahukara on February 02, 2015.

PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS:

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments made by company is given in the notes to the financial statements.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All the transactions/contracts/arrangements of the nature as specified in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review with related party (/ies) are in the ordinary course of business and on arms' length basis. Hence, Section 188(1) is not applicable and consequently no particulars in form AOC-2 have been furnished.

SECRETARIAL AUDIT

The Board of Directors of the Company has, in compliance with the provisions of section 204 of the companies Act, 2013, appointed Mr. Hitesh Kothari, Partner, Kothari H. & Associates, Practicing Company Secretary to carry out secretarial audit of the company for the financial year 2014-15.

Secretarial Audit Report as per Section 204 of Companies Act 2013 is placed as Annexure B to this report. No adverse comments have been made in the said report by the Practicing Company Secretary.

PARTICULARS OF EMPLOYEES

The information as required under the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure C hereto, which forms part of this report.

During FY2014-15, there were no employee in the Company whose particulars are required to be given in terms of Section 197 (12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

However, in accordance with the provisions contained in the proviso to Section 136(1) of the Companies Act, 2013, the aforesaid particulars are not being sent as a part of this Annual Report. Any Member interested in obtaining a copy of the same may write to the Company Secretary at the registered office of the Company.

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

In conformity with the requirements of Section 177 of the Companies Act, 2013, the Company has devised vigil mechanism and has formal whistle blower policy under which the Company takes cognizance of complaints made by the employees and others. No employee of the Company/ no other person has been denied access to the Audit Committee of the Board of Directors of the Company. During the year under review, no complaints have been received from any whistle blower. The Whistle Blower Policy is disclosed on the website of the Company at the link [http://www.thomasscott.org/financial-results/Whistle% 20 Blower% 20 Policy_Thomas%20Scott.pdf](http://www.thomasscott.org/financial-results/Whistle%20Blower%20Policy_Thomas%20Scott.pdf)

NOMINATION AND REMUNERATION COMMITTEE

The Board has framed Nomination and Remuneration Committee in accordance with the provisions of subsection (3) of Section 178 of the Companies Act, 2013. The Nomination & Remuneration policy framed by the Board is annexed hereto as Annexure D and forms part of this report. The Nomination and Remuneration Committee consist of Mr. Subrata Kumar Dey as a Chairman and Mr. Vijay Dattatraya Ajgaonkar and Mrs. Swati Sahukara as the members. The Committee met two times during the financial year on August 13, 2014 and February 02, 2015. The number of meetings attended by each member of the Committee are as follows:

Name of the Director	No. of Meetings	No. of Meeting/s Attended
Mr. Subrata Kumar Dey	2	2
Mr. Vijay Dattatraya Ajgaonkar	2	2
*Mr. Mithilesh Kumar Sinha	2	1
*Mrs. Swati Sahukara	2	0

*Due to resignation of Mr. Mithilesh Kumar Sinha on November 03, 2014, the Nomination and Remuneration Committee has been reconstituted with the appointment of Mrs. Swati Sahukara on February 02, 2015.

AUDIT COMMITTEE

The Board has constituted the Audit Committee which comprises of Mr. Vijay Dattatraya Ajgaonkar as the Chairman and Mr. Subrata Kumar Dey and Mrs. Swati Sahukara as the Members. All the recommendation made by the Audit Committee on various matters has been accepted by the Board. The Committee met four times during the financial year on May 30, 2014, August 13, 2014, November 14, 2014 and February 13, 2015. The number of meetings attended by each member of the Committee are as follows:

Name of the Director	No. of Meetings	No. of Meeting/s Attended
*Mr. Mithilesh Kumar Sinha	4	2
Mr. Vijay Dattatraya Ajgaonkar	4	4
Mr. Subrata kumar Dey	4	3
*Mrs. Swati Sahukara	4	1

Due to resignation of Mr. Mithilesh Kumar Sinha on November 03, 2014, the Audit Committee has been reconstituted with the appointment of Mrs. Swati Sahukara on February 02, 2015.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board consists of Mr. Vijay Dattatraya Ajgaonkar as Chairman and Mr. Brijgopal Bang and Mr. Raghvendra Bang as the members. The Committee met four times during the financial year on May 30, 2014, August 13, 2014, November 14, 2014 and February 13, 2015. The number of meetings attended by each member of the Committee is as follows:

Name of the Director	No. of Meetings	No. of Meeting/s Attended
Mr. Vijay Dattatraya Ajgaonkar	4	4
Mr. Brijgopal Bang	4	4
Mr. Raghvendra Bang	4	3

LISTING

At present, the Company's Equity Shares are listed at National Stock Exchange of India Limited and BSE Limited and the Company has paid the Listing fees to the above Exchanges for the year 2015-16.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(C) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a. In preparation of the Annual Accounts for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for the year ended on that date;
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the Annual Accounts on a going concern basis; and
- e. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of rating risks and incorporate risk treatment plans in strategy, business and operational plans.

As per Section 134(3)(n) of the Companies Act, 2013, The Board of Directors have approved the Risk Management Policy for the company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the financial year 2014-15, the Company has received nil complaints on sexual harassment.

ACKNOWLEDGEMENT

Your Directors wish to place on record their deep sense of appreciation for all the stake holders of the Company who have been continuously supporting the growth of your Company. In particular, the Directors value the dedication and commitment of your Company's employees and thank the Central and State Governments, Financial Institutions, Banks, Government authorities, customers, vendors and shareholders for their continued cooperation and support.

For and on behalf of the board of directors

Vijay Dattatraya Ajgaonkar
(DIN: 00065102)
Chairman

Place: Mumbai
Date: August 14, 2015

Annexure A

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

Form No. MGT-9

I. REGISTRATION AND OTHER DETAILS:

CIN:-	L18109MH2010PLC209302
Registration Date	22/10/2010
Name of the Company	THOMAS SCOTT (INDIA) LIMITED
Category / Sub-Category of the Company	Public Company/limited by shares
Address of the Registered office and contact details	50, Kewal Industrial Estate, Senapati Bapat Marg, Lower Parel (West), Mumbai- 400 013, Maharashtra Tel: 6660 7965
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032 Tel.: 040 6716 1562

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Trading of Fabrics	5208	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Not Applicable					